



Foreign Agricultural Service

GAIN Report

Global Agriculture Information Network

Voluntary Report - public distribution

Date: 5/3/1999

GAIN Report #CA9053

Canada

Food and Agricultural Import Regulations and

Standards:

National Organic Standard Announced

1999

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Report Highlights:

The Standards Council of Canada has ratified a national organic standard for Canada. The publication of the standard is expected in May or June 1999. Canada's organic industry is confident that the new national standard and the adoption of a Canada organic trademark will increase the acceptance of Canadian organic foods in both domestic and export markets.

Includes PSD changes: No
Includes Trade Matrix: No
Unscheduled Report
Ottawa[CA1], CA

A national organic standard for Canada was recently ratified by the country's Standards Council. According to the Canadian Organic Advisory Board (COAB), a non-profit advisory body representing the interests of organic production and certification groups across Canada, the development makes Canada the first country in the world to have achieved a national organic standard. The publication of the standard (CAN/CGSB-32.310) is expected in May or June 1999.

The Standard is the result of a 10-year consultative process within the Canadian organic industry which in 1997, opted to develop standards recognized by the Standards Council of Canada rather than lobby for a separate government regulation (i.e., definition of organic) under existing federal agricultural legislation. The COAB will be the initial certifier and only certifying body under which Canadian organic food will be sold as certified product bearing the trademark "Canada Organic" or the French version, "Biologique Canada". According to the COAB, other certifiers may apply for organic certification powers, but the trademark will be exclusive to COAB certifications.

According to a COAB background document, the Standard for Organic Agriculture (CAN/CGSB-32.310) outlines the principles for organic agriculture that endorse ecologically sound production and management practices to enhance the quality and sustainability of the environment and to ensure the ethical treatment of livestock. The COAB states that Canada's organic standard will not support the use of genetically modified organisms, sewage sludge in any production system, or the use of ionizing radiation as a food preservation technique.

The standard specifies the minimum criteria that must be met when food products, inputs and other products used in organic production are defined as organic, or by comparable wording as described in the standard.

The scope of this standard includes, but is not limited to, the period of conversion to organic agriculture, production plans and records, crop and livestock production, production requirements for maple products, honey, greenhouse crops, mushrooms, sprouted plants, and wild and natural products, the production and processing of organic products, packaging, labeling, storage, and distribution of organic food products, and the Permitted Substances List.

This standard does not, in any way, absolve any product, individual, corporation, association, or organization from complying with any federal, provincial or municipal act. All Canadian packaging and labeling, grade and inspection regulations will apply equally to organic and non-organic foods.

Canada's organic industry is anxious to capture a share of the growing world market for organic foods reported to be growing at a annual rate of 20 percent. The industry is confident that the new national standard and the adoption of the Canada organic trademark (and logo) will increase the acceptance of Canadian organic foods in both domestic and export markets.

The Market for Organic Foods in Canada

The COAB reports that the Canadian organic industry has conducted surveys which suggest that Canada's organic agri-food sector continues to expand at rates relative to growth in the United States and several European countries. The Canadian Organic Growers (COG), an information network for organic producers and consumers, estimates there were more than 1,800 organic producers in Canada by 1997, an increase of about 14% from 1995.

Organic food production in Canada is concentrated mainly in the grains and oilseeds and horticultural sectors. Some organic livestock production takes place, but is reportedly confined to very localized markets. Recent industry estimates suggest that the Canadian organic food industry is approaching a \$C1.0 billion industry.

According to the COAB, industry surveys conducted for the organic trade associations suggest that sales of organic foods are increasing at a rate between 15% to 25% annually. In Ontario, some major food retail chains have been offering organic products since 1996. Market surveys within their outlets profile the average consumer of organic foods as an individual with a higher than average income, typically aged 20 to 40+ years, and who possesses a high likelihood as a repeat customer. Consumer demand for organic foods in Canada is driven by increased consumer knowledge of organic food, rising consumption levels of fresh fruits and vegetables, and a growing desire to support sustainable agriculture. Currently, organic produce is typically priced 10-50% higher than conventional produce at retail and competitive pricing is expected to have an important influence on the future growth factor of organic food sales.

The official website of the Canadian Organic Advisory Board is: <http://www.coab.ca>

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